



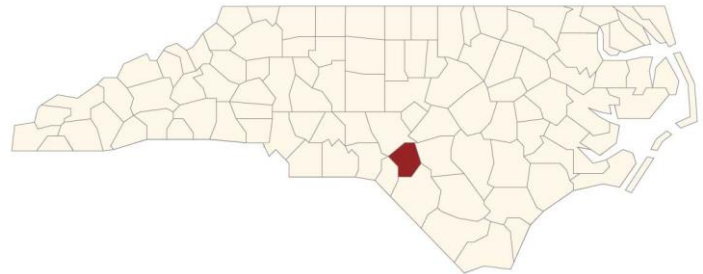
On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government.

American Recovery and Reinvestment Act Report, Hoke County

Hoke County received more than \$48.8 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Hoke County total.



New COPS:
3



Small Business Jobs:
47

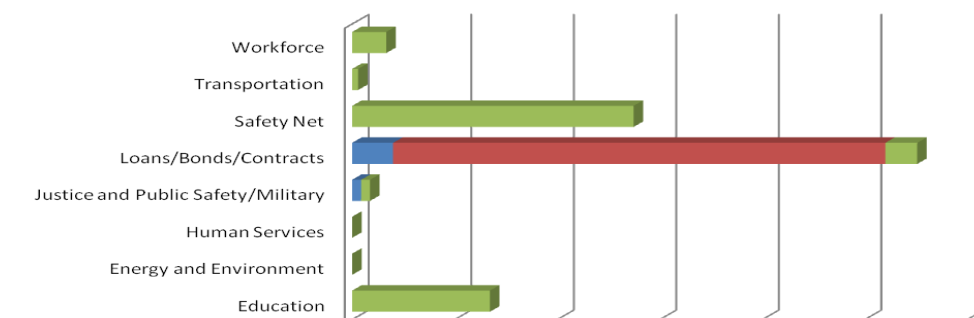


Appliances rebated:
72



Family homes financed:
39

Hoke County Totals



Hoke County,
pop 49,952 at a glance:

Recovery Act Totals:

Grants: \$24,856,209

Loans: \$5,292,549

Bonds: \$18,711,889

Total: \$48,860,647



Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

Hoke County schools received \$27.0 million in education funding, including \$1.7 million in Special Education funds, \$1.4 million in Title I funds, \$4.1 million in SFSF funds, \$967,013 in Race to the Top funding and a \$18.7 million bond allocation.



Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

In Hoke County, 39 families received assistance through this program totaling more than \$5 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

Hoke County retailers sold 72 appliances through the Energy Star Appliance rebate program.



Small Business Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

In Hoke County 3 small businesses received SBA loan guarantees worth almost \$490,000. According to the small businesses receiving these loans, the Recovery Act saved or created 47 jobs.



Farm Assistance

The Supplemental Revenue Assistance Payments (SURE) Program is administered by the Farm Services Administration in the federal Department of Agriculture, which provides assistance to farmers suffering crop losses due to natural disasters. To qualify for the program a farm must have lost at least 10% of one crop during a natural disaster in a declared disaster county, or lost 50% of a crop during a disaster in a non-disaster county. North Carolina farmers received more than \$9 million in total payments under the ARRA-Funded SURE Program.

In Hoke County, \$9,196 was received in assistance to farmers because of crop loss to natural disasters.



Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

In Hoke County, \$43,618 was received in JAG funds.

The COPS (Community Oriented Policing Services) awards grants to law enforcement agencies to hire and train community policing professionals, acquire and deploy cutting-edge crime-fighting technologies, and develop and test innovative policing strategies. COPS funding also provides training and technical assistance to community members and local government leaders and all levels of law. In order to help leverage the efficiency of these programs Governor Perdue set aside additional funding to help pay for uniforms and equipment for local governments who have new COPS funded positions.

In Hoke County, 3 officers were funded through COPS Grants.



Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

Hoke County residents received more than \$8.9 Million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$3.3 Million in SNAP benefit increases, and \$1.4 million in one-time payments of \$250 to social security recipients.

Hoke County Feature Story

Hoke County Uses Recovery Opportunity to Build Sandy Grove Elementary

The American Recovery and Reinvestment Act placed a special emphasis on infrastructure projects as a way to immediately impact jobs in the engineering and construction sectors, and as a way to make important, lasting impact in communities. There were several mechanisms for this type of investment: additional funding for the USDA's Community Facilities program, additional funding for water and sewer programs in states, special competitive grant programs for high-demand bridge and road projects, and a historic high-speed rail program to connect large metropolitan areas, to name a few.

The Recovery Act also established several new bond programs with zero or very low interest to allow state, local, and private entities to design construction and renovation projects at the ground level where these projects would have the most impact on a local economy. These bond programs gave the green light to many long-awaited projects across the state, including the development of new libraries, hospital facilities, recreational facilities, the construction of new schools, highways, water systems, and improvements to a host of critical infrastructure. North Carolina entities used more than \$3 billion in Recovery Act bond capacity.

The Recovery Act provided \$24.8 billion in bond authority to states and local governments for school infrastructure through two primary programs: a new Qualified School Construction Bonds (QSCBs) program and the expansion of the Qualified Zone Academy Bonds (QZABs) program. These are zero-interest, tax credit bond programs to provide a significant cost savings to school districts for construction and improvements. The Qualified School Construction Bond program provides Local Education Authorities with a method of funding construction/repair/renovation of public school facilities or for land acquisition for a public school facility.

Hoke County Schools took advantage of the historic opportunity of these low-interest bond programs to build a long-needed new middle school. The new Sandy Grove Middle School will be built next to the new Sandy Grove Elementary. The new \$20 million, 74,000 square foot facility is leveraged with around \$17 million in QSCB capacity. Sandy Grove Middle School will house around 600 students at opening with a maximum future student population of 800.

Sandy Grove Middle School is designed as a state-of-the-art facility. Once completed it will be a 'net-zero building,' meaning it will not draw power from an electrical grid. Rather, solar panels will provide 100% of the building's energy, with the help of geothermal heat pumps that reduce power consumption for HVAC by 70%.

The general contractor on the construction is Metcon, a Native American-owned HUB business. The sub-contracting bidding should be completed by fall 2011. Groundbreaking on the project is anticipated to be in early 2012. Construction is projected to be complete by the end of 2012.

Appendix, Hoke County breakout

Federal Agency	Program Title	Recipient name	Recipient role ⁱ	Prime Amount ⁱⁱ	Unique Sub Awards ⁱⁱⁱ	Loans	Additional Economic Activity (not counted toward totals) ^{iv}
	Bonds		P			\$18,711,889.00	
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$5,015,049.91	
Department of Agriculture	Supplemental Nutrition Assistance Program	Multiple Individuals	S		\$3,383,295.87		
Department of Health and Human Services	Aging Home-Delivered Nutrition Services for States	Senior Services Of Hoke County	SV	\$0.00	\$0.00	\$0.00	
Department of Justice	No CFDA for Contract type awards	Hoke, County Of	P	\$396,099.00		\$0.00	\$0.00
				\$43,618.00		\$0.00	\$0.00
	Public Safety Partnership and Community Policing Grants	Hoke, County Of	P	\$396,099.00		\$0.00	\$396,099.00
	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	Hoke, County Of	P	\$43,618.00		\$0.00	\$43,618.00
Department of Labor	Unemployment Insurance	Multiple Individuals	S		\$8,937,398.10		
Department of the Army	No CFDA for Contract type awards	Barnhill Contracting Company	P	\$620,398.00		\$0.00	\$496,164.79
		Fulcher Electric Of Fayetteville, Inc.	S	\$0.00		\$0.00	\$124,233.21
Federal Transit Administration	Formula Grants for Other Than Urbanized Areas	Hoke, County Of	S	\$0.00	\$293,500.00	\$0.00	
Food and Nutrition Service	Child Nutrition Discretionary Grants Limited Availability	Hoke County School District	S	\$0.00	\$29,297.08	\$0.00	
	No CFDA for Contract type awards	House Of Raeford Farms, Inc.	P	\$941,200.00		\$0.00	\$941,200.00
Idaho Operations Office	Energy Efficient Appliance Rebate Program (EEARP)		P			\$0.00	\$8,550.00

Office of Elementary and Secondary Education	Education for Homeless Children and Youth, Recovery Act	Hoke County School District	S	\$0.00	\$30,614.00	\$0.00
	Education Technology State Grants, Recovery Act	Hoke County School District	S	\$0.00	\$36,578.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	Hoke County School District	S	\$0.00	\$4,174,075.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Hoke County School District	S	\$0.00	\$967,013.00	\$0.00
	Title I Grants to Local Educational Agencies, Recovery Act	Hoke County School District	S	\$0.00	\$1,424,780.00	\$0.00
Office of Special Education and Rehabilitative Services	Special Education - Preschool Grants, Recovery Act	Hoke County School District	S	\$0.00	\$65,482.00	\$0.00
	Special Education Grants to States, Recovery Act	Hoke County School District	S	\$0.00	\$1,665,144.00	\$0.00
Small Business Administration	Loans	Aaron's Supply	L			\$7,500.00
		C & D Cleaning Service Inc	L			\$265,000.00
		S & A Subway Iii Inc	L			\$5,000.00
SSA	Social Security Economic Recovery Act Payments	Multiple Individuals	P		\$1,408,000.00	
Grand Total				\$2,441,032.00	\$22,415,177.05	\$24,004,438.91
						\$2,009,865.00

ⁱ Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

ⁱⁱ Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to www.federalreporting.gov

ⁱⁱⁱ Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

^{iv} Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.